

MONTANA LEGISLATIVE HISTORY

Chapter 657 19 85

Bill H 625 S _____ Original bill & history C

H. Committee on Local Government

S. Committee on Taxation

Hearing Date(s) Feb 02 ✓ C

Hearing Date(s) Mar 19 ✓ C

_____ C

Apr 05 ✓ C

_____ C

Apr 15 ✓ C

_____ C

_____ C

Date Out Feb 02 ✓ C

Apr 15 ✓ C

Did this bill originate in an interim committee? Yes No

Committee _____

Report _____

HOUSE FINAL STATUS

2/01 INTRODUCED
 2/01 REFERRED TO LOCAL GOVERNMENT
 2/09 HEARING
 DIED IN COMMITTEE

HB 625 INTRODUCED BY COHEN
 INCREASED ASSESSMENT OPTIONS FOR STREET MAINTENANCE DISTRICTS

2/01 INTRODUCED
 2/01 REFERRED TO LOCAL GOVERNMENT
 2/07 HEARING
 2/08 COMMITTEE REPORT-BILL DO PASS
 2/11 2ND READING PASS AS AMENDED 50 49
 2/13 3RD READING PASS 52 47

TRANSMITTED TO SENATE
 2/14 REFERRED TO TAXATION
 3/19 HEARING
 4/08 COMM REPORT-BILL CONCURRED AS AMENDED
 4/10 2ND READING CONCURRED 50 0
 4/10 ON MOTION SEGREGATED FROM COMMITTEE
 OF WHOLE REPORT
 4/10 REREFERRED TO TAXATION
 4/15 COMM REPORT-BILL CONCURRED AS AMENDED
 4/17 2ND READING CONCURRED 49 0
 4/18 3RD READING CONCURRED 49 0

RETURNED TO HOUSE WITH AMENDMENTS
 4/20 2ND READING AMENDMENTS CONCURRED 82 12
 4/22 3RD READING AMENDMENTS CONCURRED 73 19
 4/24 SIGNED BY SPEAKER
 4/24 SIGNED BY PRESIDENT

4/25 TRANSMITTED TO GOVERNOR
 4/30 SIGNED BY GOVERNOR
 CHAPTER NUMBER 657 EFFECTIVE DATE: 7/01/85

HB 626 INTRODUCED BY NELSON, B. BROWN, MERCER, ET AL.
 TO REMOVE VOTER TURNOUT REQUIREMENTS FOR SCHOOL BOND ELECTIONS

2/01 INTRODUCED
 2/01 REFERRED TO EDUCATION & CULTURAL RESOURCES
 2/11 HEARING
 2/14 COMMITTEE REPORT-BILL DO PASS
 2/16 REREFERRED TO EDUCATION & CULTURAL RESOURCES
 2/21 COMMITTEE REPORT-BILL PASS AS AMENDED
 2/23 2ND READING DO NOT PASS 70 23
 2/23 BILL KILLED

HB 627 INTRODUCED BY KEENAN, KRUEGER, ET AL.
 DUTIES AND RESPONSIBILITIES OF GUARDIAN AD LITEM

2/01 INTRODUCED
 2/01 REFERRED TO JUDICIARY
 2/13 HEARING
 2/13 COMMITTEE REPORT-BILL PASS AS AMENDED
 2/16 2ND READING PASS 89 0
 2/19 3RD READING PASS 97 1

ride buses. Several communities involved don't have these programs so then the responsibilities fall back on air quality control.

Rep. Gilbert stated that if the automobiles are causing more than half of the problem, he does not think it is fair to single them out to pay for 100% of the problem. There are more people with wood stoves than automobile pollution, and in the winter they are worse. They should have to pay their way. Mr. Carlson made the suggestion to charge \$10 for people who are using wood stoves.

Rep. Pistoria stated to Mr. Carlson that he wants the money, but how is the situation going to be corrected. Mr. Carlson replied that different communities have different problems, so each community will have to deal with the problem.

There being no further discussion, HB 407 was closed.

CONSIDERATION OF HOUSE BILL NO. 625: Rep. Cohen of District 3, Whitefish, appeared before the committee as sponsor of this bill, which provides additional alternatives for the assessment of costs for street maintenance districts. He presented a drawing of property in Whitefish, which shows options for financing street maintenance districts (exhibit 1). He explained the drawing and said one option is that it allows assessment by front footage. The drawing also shows one city block which has 12 city lots as low as 7,500 square feet. There is a problem because all the lots are not the same size and do not have the same footage. There would be a difference if they were being assessed by square footage rather than front footage. He further stated that under the present law it is difficult to reach equality for all the citizens and people of a community for assessment. This bill is to give people more equitable options, and if the city wishes to use front footage as a basis for assessing lots, they should have the option of choosing which side to use. Rep. Cohen passed out proposed amendments from Leo Fisher, which were on a letter to Rep. Cohen from Jack B. Arnold, City Manager of Whitefish. This is attached as exhibit 2.

PROPONENTS: Jack Arnold, City Manager of Whitefish, appeared before the committee and stated he hoped the committee would give this bill a Do Pass, as it is a bill that gives a fair way of assessing property. They have a lot of unusual frontage property in Whitefish. They are not asking for new money or new authority.

Dennis Burr, representing the Montana Taxpayers Association, said they do not have any problem with the bill. The examples given show that there are more equitable ways of dealing with the problem.

John Garrity, representing the city of Whitefish, stated this is a fair and equitable bill for favoring assessment to the people of Montana.

Bill Verwolf, representing the city of Helena, said they arise in support of this bill because it provides the city commissioners with an additional way to provide street maintenance.

Alec Hansen of the Montana League of Cities and Towns, said they support this bill in the interest of equity.

Greg Jackson, representing the Montana Urban Coalition, said they would like to go on record in support of this bill.

OPPONENTS: There were no opponents present.

There being no further discussion of the bill, the hearing closed.

CONSIDERATION OF HOUSE BILL NO. 612: Rep. Addy of District 94, sponsor of HB 612, appeared before the committee to present the bill. This bill provides additional alternatives for the assessment of costs for special improvement districts and Rep. Addy stated this bill is much the same as the one that was just heard by the committee.

PROPOSERS: Alec Hansen, representing the Montana League of Cities and Towns, said they support this bill for the same reasons they support the other bill.

Nathen Tubergen, Finance Director from the city of Billings, stated they would like to go on record as supporting this bill, as it will give additional opportunity for spreading special improvement districts.

Gordon Morris, Montana Association of Counties, stated they rise in support of HB 612 and in doing so request a possible amendment to include municipal country cousins.

Greg Jackson, Montana Urban Coalition, said they support HB 612, and they also support the amendment proposed by Gordon Morris.

OPPONENTS: There were no opponents present to HB 612.

In closing, Rep. Addy thanked the proponents for their brief statements.

CONSIDERATION OF HOUSE BILL NO. 373: Rep. Nathe, District 19, appeared before the committee as sponsor of HB 373. He stated the bill is more or less explained in the title, and is an act defining assessment book to include computer systems operating as assessment books. What it amounts to now

PROPOSERS: Greg Jackson of the Montana Urban Coalition, said they would like to go on record as supporting this bill.

Gordon Morris, MACo, also stated they would like to go on record as endorsing Rep. Sands' bill as presented by Rep. Sales, as the 1 1/4 percent is reasonable.

Dick Michelotti, representing the Cascade County Treasurer's Association, said they are in support of this bill, HB 253, or HB 171. Delinquent taxes in their county for 1984 was \$1.6 million; 1983 delinquent taxes were \$1.3 million; 1982 delinquent taxes were approximately \$1/2 million; 1981 delinquent taxes were \$125,000, with less than 100 taxpayers involved; 1980 delinquent taxes were \$75,000 with less than 10 taxpayers involved. These are people who can afford to pay their taxes. Therefore, he asked for a Do Pass on HB 253 or 171.

Alec Hansen, Montana League of Cities and Towns, stated he is here on the issue of HB 171. If the committee wishes to approve either one of these bills (HB 171 or HB 253), they support either bill.

Chip Erdmann, of the Montana School Board, stated they support HB 253, or HB 171.

OPPOSERS: Rep. Paul Pistoria stated he was opposed to this bill.

Being no further discussion, Rep. Sales closed HB 253.

The committee then went into executive session for action on the bills, after a short break.

DISPOSITION OF HOUSE BILL NO. 373: Rep. Brandewie moved that HB 373 DO PASS, and this was seconded by Rep. Kitselman. Question being called for, HB 373 PASSED UNANIMOUSLY.

DISPOSITION OF HOUSE BILL NO. 612: Rep. Kitselman moved that HB 612 DO PASS, seconded by Rep. Fritz. Rep. Kitselman then moved the amendments, and this was seconded by Rep. Kadas. Lee Heiman, Counsel for the Committee, explained the amendments. Question being called for, the amendments PASSED UNANIMOUSLY.

Rep. Kitselman then moved that HB 612 DO PASS AS AMENDED, seconded by Rep. Fritz. Motion PASSED UNANIMOUSLY.

DISPOSITION OF HOUSE BILL NO. 625: Rep. Sales made the motion that HB 625 DO PASS, and this was seconded by Rep. Fritz.

Rep. Brandewie moved to amend page 2, line 14, and strike "including improvements thereon". Rep. Brandewie then withdrew his motion to amend.

Rep. Gilbert moved the amendment from Whitefish, where there is no frontage, and the lot touches no street, they can pick a part to be assessed. Rep. Pistoria stated this bothers him. Is this going to be based on frontage?

Rep. Sands said he doesn't understand why we need this amendment, because there are all kinds of assessment procedures to use. Items 1, 2, 3, 4, and 5 on page 2, lines 4 through 20,, only one has to do with frontage.

Rep. Wallin questioned Rep. Sands about the businesses that stretch city blocks and have two frontages where the back of the building faces one street and the front faces another. Do they get a double whammy? How about shopping malls that have only one street? Rep. Sands replied that if this bill passes, it is a new ballgame. Rep. Wallin then asked if it included improvements, would you be assessed twice if face both streets. Rep. Sands replied that if you used just the frontage, section 2, there would be no improvements. Rep. Wallin then stated that if #4 is used, you would be taxed twice, and Rep. Sands replied that it doesn't have anything to do with frontage. It would be up to the local authorities to choose the method.

Rep. Gilbert asked if this is considered to be creative taxing.

Rep. Brandewie stated he would like to explain why he wants to make the amendment. When improvements like sewer, water and pavements are added, those are improvements of the property itself, and it does not improve the house on it. It is wrong to allow for taxation of improvements. The increase in value is to the lot.

Rep. Sales asked Rep. Brandewie how he feels about the road improvements in the county, should the tax be only on the land and not on the improvements. Rep. Brandewie answered that he believes that the land when a road is paved would improve the value of the land, but not the value of the cabin on the land. It does not change the value of the improvements. Rep. Sales stated he feels differently.

Rep. Gilbert stated he wanted to withdraw his motion to amend.

Rep. Sands stated that now we are going to be basing the assessment on the value of the property itself. If this kind of assessment is used, it is for those properties that have a higher value that are going to bear a larger portion of the cost. He said he does not know how he feels about it. It does not have to do with improvements.

Rep. Kitselman said that in the county where he lives they are putting in a water system. The larger lots opposed it because of the assessments they have now.

Rep. Fritz stated he would like to move the Whitefish amendment, which allows the assessors to determine a frontage line on an interior piece of property. There is no way a frontage line can be applied except by area. Rep. Hansen seconded the Whitefish amendment, the entire amendment.

Rep. Gilbert asked if you still maintain subsection 1, 3, 4 and 5, which is a combination, can accomplish the Whitefish amendment. The key is #5 where the combination can be used.

Question being called for, the motion to amend HB 625 FAILED, as Rep. Hansen, Rep. Fritz, and Rep. Poff voted yes, and all other members no.

Rep. Sales' motion of DO PASS was voted on, after question being called for, and motion CARRIED, with Rep. Pistoria, Rep. Poff, Rep. Gilbert, Rep. Brandewie, Rep. Wallin and Rep. Brown voting no.

DISPOSITION OF HOUSE BILL NO. 379: Rep. Sales moved to DO PASS HB 379, and this was seconded by Rep. Kadas. Question being called for, HB 379 PASSED, with Rep. Fritz, Rep. Hanser, Rep. Pistoria, Rep. Brown and Chairman Darko voting no.

DISPOSITION OF HOUSE BILL NO. 253: Rep. Kadas moved that HB 253 DO PASS, and this was seconded by Rep. Gilbert. Rep. Wallin stated that we are under the assumption that everyone who is delinquent is borrowing money. He said he thinks 1% is how we should go.

Rep. Pistoria made a substitute motion of DO NOT PASS HB 253, and this was seconded by Rep. Brown.

Rep. Kadas said it isn't just people trying to make money who are doing this. It is the people who owe the most money. He said he thinks we should stick it to them.

Rep. Gilbert said that if a person is not financially able to buy land or whatever, they should not be buying anything, and if they can't pay their taxes, they shouldn't buy anything.

Rep. Brown said there are a lot of people who are down and out, and he didn't think the committee could pass either one of these bills.

Rep. Kadas said that instead of saying "requiring", put in "may".

Chairman Darko said that putting a limit on if people owe \$1,000 is discriminatory.

STANDING COMMITTEE REPORT

February 7, 1905

MR. SPARKER

We, your committee on LOCAL GOVERNMENT

having had under consideration HOUSE Bill No. 525

FIRST reading copy (WHITE color)

INCREASED ASSESSMENT OPTIONS FOR STREET MAINTENANCE DISTRICTS

Respectfully report as follows: That HOUSE Bill No. 525

DO PASS

HOUSE *Local Government* COMMITTEE

DATE Feb. 7, 1985

SPONSOR Rep. Cohen

[illegible]

TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY

MINUTES OF THE MEETING
TAXATION COMMITTEE
MONTANA STATE SENATE

March 19, 1985

The fifty-third meeting of the Senate Taxation Committee was called to order at 8:05 am by Chairman Thomas E. Towe in Room 413-415 of the Capitol Building.

ROLL CALL: Senators Goodover, Hager, Hirsch, Lybeck, Mazurek, McCallum, Neuman, Severson and Towe were present. Senators Brown and Halligan joined the committee after 9 am. Senator Eck was excused.

CONSIDERATION OF HB 580: Representative Paula Darko, House District 2, was recognized as chief sponsor of the bill. She said that the bill was introduced at the request of her local search and rescue unit in Libby. She said it would allow the county to levy up to one mill for use of search and rescue groups that were approved by their county's sheriff.

PROPOSERS

No additional proposers were heard.

OPPOSERS

None were heard.

Questions from the committee were called for.

In response to questions by Senator Lybeck, Representative Darko said that the amount levied would be at county option and that these operations have been previously financed by fund raising. She said those efforts have become particularly difficult with the depressed economy.

Senator Hager asked if the volunteer effort would continue. She said that all the time spent is volunteer time and this bill would help cover other kinds of expenses.

Senator Neuman asked if the sheriff would be responsible for this if there were no volunteer search and rescue. Representative Darko said, yes, that in her county one deputy is actually in charge of search and rescue.

Representative Darko closed saying that if the committee passed the bill, Senator Mohar would carry it on the Senate floor.

CONSIDERATION OF HB 625: Representative Ben Cohen, Whitefish, was recognized as chief sponsor of the bill. He said after attending city council meetings on a regular basis, and protesting the unfairness of the frontage foot or square footage method of assessing for street maintenance districts, he decided legislative action was needed to offer other options to more fairly deal with the problem.

Representative Cohen gave the committee Exhibit 1 to indicate the inequities in the current method of figuring these assessments. He noted that a lot with 12 condos was paying only twice as much as the single family dwelling next door, while their wear on the streets was 12 times as great. He noted lot C in the middle of a block with no frontage feet at all. He said there were another set of obvious problems with assessment of corner lots. He urged the committee to deal favorably with the bill.

PROPOSERS

Mr. Bill Verwolf, City of Helena and the Montana Municipal Clerks, Treasurers and Finance Officers Association said that taxable value would be more equitable than square footage. He said that was particularly true in smaller towns.

Mr. Alec Hansen, Montana League of Cities and Towns, said that this bill would set up the most equitable method of street maintenance. He said the bill was directed at fairness and at giving the city necessary options.

OPPOSERS

None were heard.

Questions from the committee were called for.

Senator McCallum asked what the average assessment was. Representative Cohen said that in one case it was originally around 9 cents, then to 27 cents, up to 54 cents. He said one street maintenance district was levying \$2.00 per frontage foot to avoid borrowing at a high interest rate.

Senator Towe asked about the repealer. Representative Cohen said that some House members had wanted the taxable valuation option taken out of the bill. He said he got the language back in the bill by calling financial managers of cities and getting them to lobby the bill. He said the repealer is to clean up language so that all the references to this matter would be found in one section of the codes.

In discussion with Mr. Hansen, Senator Towe clarified that a combination of options could be used depending on how the local governing body wanted to structure them.

Senator Hager said he had carried a bill like this previously that had asked for even more options.

Senator Mazurek questioned whether taxable value was related to the impact on the streets. Mr. Verwolf said that it may not be perfect but that it represents a fairer allocation of the costs than can occur under existing law. He noted that the business districts have the greatest disparity with frontage feet in one case representing a hotel, another a parking lot.

Senator Goodover asked about the local input provisions. Senator Towe and Representative Cohen clarified that public notice and hearing

were required.

In closing Representative Cohen said that the advantages of the bill include creation of equity for property tax payers and flexibility for local government to meet their own needs.

CONSIDERATION OF HJR 21: Representative Harry Fritz, chief sponsor, said the bill called for reformation of the federal income tax system. He said that it takes him a solid week to even begin to figure his taxes. He said that instructions are far too complicated for a system in which everyone must participate. He said the system was created by and for accountants and tax attorneys. He said the resolution seeks fairness, equity and simplicity.

PROPOSERS

Ms. Margaret MacDonald representing the farm families of the Northern Plains Resource Council submitted her testimony in writing (Exhibit 2).

OPPOSERS

None were heard.

Questions from the committee were called for.

Senator Hager said that some tax shelters are beneficial for all involved and described an instance of a rancher being able to keep going in this way. Representative Fritz said he had no objection to changing the bill.

Representative Fritz closed saying that the resolution is not offered in a partisan sense, but in a spirit of reform.

MOTION: Senator Hager moved to amend HJR 21 per the Standing Committee Report attached here. The motion carried unanimously.

MOTION: Senator Hager moved that HJR 21 be concurred in as amended. With Senator Neuman voting no; Senators Brown, Eck and Halligan excused and all other present members voting yes, the motion carried.

CONSIDERATION OF HB 625:

MOTION: Senator Hager moved that HB 625 be concurred in.

Senator Hirsch questioned whether the bill should allow for street rebuilding as well as maintenance. Senator Hager responded that it was a local option bill.

Senator Mazurek said that not only the assessment method, but the continuing flexibility for local government was an issue.

Senator McCallum said that valuation would be subject to local political pressures. Senator Lybeck responded saying the issue is fairness in taxation.

March 19, 1985

Senator Hirsch said the increase from 7 cents to \$2.00 is a significant one and flagged his concern about the bill.

Question was called. Senators McCallum, Hirsch, Goodover and Mazurek voted no. Senators Towe, Neuman, Severson, Lybeck and Hager voted yes. The motion carried. Chairman Towe agreed at the request of Senator Hager and with no objection from the committee to hold HB 625 in committee for one more day so that absent members could vote.

CONSIDERATION OF HB 580:

MOTION: Senator McCallum moved that HB 580 be concurred in. Senators Lybeck, Mazurek, McCallum, Severson and Towe voted yes; Senators Goodover, Hager, Hirsch and Neuman voted no. The chairman agreed to hold the bill for the vote of the absent members, but temporarily, the motion carried.

CONSIDERATION OF HB 26: Amendments to the bill were distributed and discussed by Mr. Jim Lear, committee staff, at the request of Senator Brown. The amendments he said, give all taxing jurisdictions authority over the granting of a tax break for their own mill levies. They also assure that nothing can affect the state imposed levies. The amendments are found in Exhibit 3.

In response to a question by Senator McCallum, Mr. John Shontz said that the more people involved, the more cluttered the process gets. He said they prefer the bill in its current form.

Senator Mazurek asked if there was any comparable situation. Mr. Gregg Groepper, Department of Revenue, said that the only similar process leaves the decision to the county commission which can then bind other taxing jurisdictions with their decisions.

Senator Towe noted that the existing bill still has problems with ambiguity regarding buildings outside a city.

In response to a question Mr. Groepper said that the bill does not preclude the city or county from offering the incentive separately. He said that there would be no more administrative problem with the bill than currently exists.

(Senator Halligan joined the committee at 9 am, Senator Brown at 9:10 am.)

Senator Brown said that school boards should be in the position of control over their own mills. He said one entity should not be able to give a tax break that would affect another.

Senator Hirsch said that major expansion would result in an influx of people and that the school district would not want to give a tax break in that instance.

Senator Brown responded that state aid to schools would help, even though it is not commensurate with expenses. The local people are elected to handle that, he said.

DATE: March 19, 1985

COMMITTEE ON Fixation

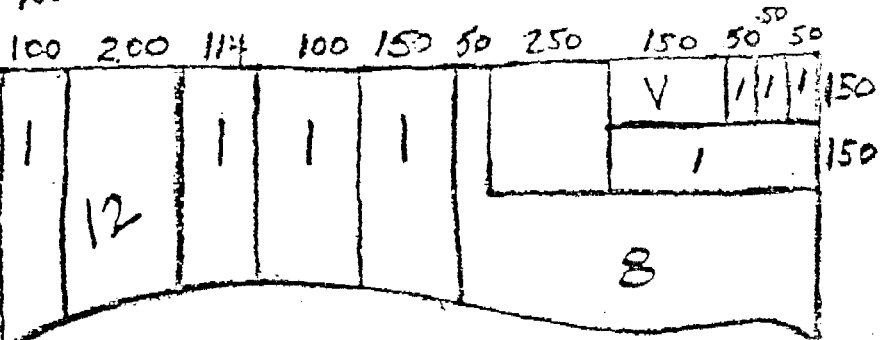
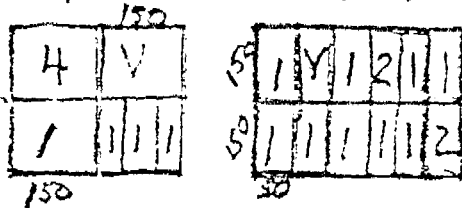
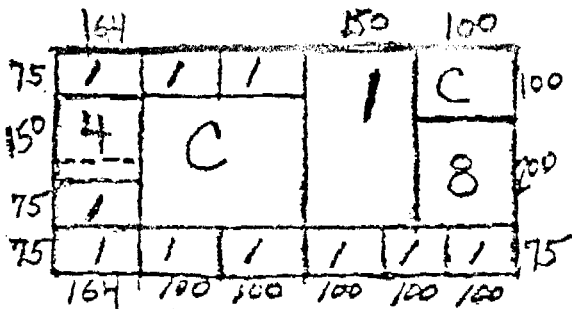
VISITORS' REGISTER

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(Please leave prepared statement with Secretary)

House Bill 625

Options for Financing Street Mt. Dist.'s



Engement
for
Access

20

Lake

April 5, 1985

Question was called on Senator Halligan's original motion to table HB 493, HB 494 and HB 495. Senators Brown, Eck, Halligan, Hirsch, Lybeck, Mazurek, Neuman and Towe voted yes. Senators Goodover, Hager, McCallum and Severson voted no. The motion carried.

CONSIDERATION OF HB 518:

MOTION: Senator Hager moved that HB 518 be tabled. He said that if these are excluded from income tax then social security should also be excluded. The motion carried unanimously.

CONSIDERATION OF HB 625:

MOTION: Senator Hager moved that HB 625 be amended per Exhibit 6.

MOTION: Senator Eck moved to amend the previous amendment by striking 40 percent and inserting 50 percent. She said that 50 percent of valuation had been standard in the Local Government Committee. The motion carried unanimously.

MOTION: Senator Hager moved to further amend the amendment following the word "district" by adding "or a written protest against passage of the proposed ordinance is filed by not less than 50 percent of the owners of property within the district". The motion carried unanimously.

Chairman Towe then called for the question on the original amendment. The motion carried unanimously.

MOTION: Senator Brown moved that HB 625 be concurred in as amended. The motion carried unanimously.

CONSIDERATION OF HB 815: Senator Severson suggested that a bracket for "any amount" should be included.

MOTION: Senator Severson moved to amend HB 815 to include the same checkoff language as is found in SB 334. The motion carried unanimously. (That amendment is specified in the Standing Committee Report attached here.)

MOTION: Senator McCallum moved that HB 815 be concurred in as amended.

MOTION: Senator Brown moved as a substitute motion that line 15 be stricken from the bill. The motion carried unanimously.

The committee in discussion of Senator McCallum's motion agreed to disgust and the inefficiency of this collection mechanism, and general irritation at the administrative cost involved. Senator Severson said he had discussed it with the Department and they assured him that it took this much to set up the checkoff.

Senator Eck said that other collection methods were also expensive.

Senator Towe said that the effectiveness of the checkoff system would

STANDING COMMITTEE REPORT

April 5,

1985

MR. PRESIDENT

Taxation

We, your committee on

House Bill

625

having had under consideration

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(Senator Hager)

INCREASED ASSESSMENT OPTIONS FOR STREET MAINTENANCE DISTRICTS.

Respectfully report as follows: That

House Bill

No. 625

be amended as follows:

1. Title, line 6.

Following: "DISTRICTS;"

Insert: "REVISING THE METHOD OF MEASURING PROTEST VOTES;"

Following: "SECTIONS"

Insert: "7-12-4407,"

2. Page 3.

Following: line 25

Insert: "Section 5. Section 7-12-4407, MCA is amended to read:

"7-12-4407. Protest against ordinance for improvements. If ~~40% or more of the abutting property owners protest in writing to said city or town council against the passage of said proposed ordinance~~ a written protest against passage of the proposed ordinance is filed by owners of property within the proposed maintenance district having a taxable valuation, when aggregated, representing not less than 50% of the total taxable valuation of property within the district or a written protest against passage of the proposed ordinance is filed by not less than 50% of the owners of property within the district, then no further action shall be taken upon the proposed district for 1 year." "

Renumber: subsequent sections

AND AS AMENDED
BE CONCURRED IN

~~XXXXXX~~

~~XXXXXXXX~~

Senator Thomas E. Towe,

Chairman.

April 15, 1985

CONSIDERATION OF HB 625: Senator Hager proposed the amendments in Exhibit 4. He said it would allow for flexibility in assessment and clarify the protest provisions. Mr. Lear, committee staff, suggested adding an additional alternative method of protesting to correspond with other statute.

The committee discussed the protest methods available to local governments and to the special improvement districts.

MOTION: Senator Hager moved that HB 625 be amended per Exhibit 4.

Senator Neuman asked if the bill was being written to be sure a protest would occur until the smallest taxpayer had to pay the largest share. Senator Hager said the timing provisions following a successful protest would preclude that. Senator Eck said that those who want the district would support it. Senator McCallum said that those with the least clout would pay for it.

Question was called and the motion carried unanimously.

MOTION: Senator Hager moved that HB 625 be concurred in as amended. The motion carried unanimously. Senator Hager agreed to carry the bill.

CONSIDERATION OF HB 892:

MOTION: Senator Mazurek moved that HB 892 be amended per Exhibit 5.

Senator Mazurek noted that the amendments would make the provisions voluntary. Senator McCallum asked if it stretched the termination date. Senator Mazurek said that it would begin on July 1, 1987. He added that there was little or no opposition to the bill until it was tied to the stream access issue. He said the amendments clarify that.

Senator Towe defined "riparian rights" as the rights of an individual whose land adjoins a body of water. Senator Mazurek clarified that it referred to streams and that the comparable zone on a lake was called "lateral".

Senator Goodover spoke against the bill saying that it was voluntary now, but could be easily required later and that no one would be picked up the taxes on the land not taxed under the bill. He said it addressed a legitimate concern but that the bill was not necessary.

Senator Severson agreed saying that the bill provided no real incentive anyway.

Question was called on the amendments. With Senators Goodover, Lybeck and McCallum voting no and other members present voting yes, the motion carried.

MOTION: Senator Neuman moved that the numbers be renumbered. The motion carried.

AMEND HB 625
SENATE STANDING COMMITTEE REPORT
DATED APRIL 5, 1985

1. Amendment No. 2.

Following: the catchline ending with "improvements."

Strike: text of section 5

Insert: "no further action shall be taken upon the proposed district for 1 year if a written protest against passage of the proposed ordinance is filed by:

(1) Owners of property within the proposed maintenance district having a taxable valuation, when aggregated, representing not less than 50% of the total taxable valuation of property within the district;

(2) Not less than 50% of the owners of property within the district; or

(3) Owners of property within the proposed maintenance district having projected assessments, when aggregated, representing not less than 50% of the total projected assessments for property within the district."

STANDING COMMITTEE REPORT

April 15, 1935

MR. PRESIDENT

We, your committee on Taxation
Senate Taxation Committee on HB
having had under consideration Standing Committee Report of April 15 No. 625

~~XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX~~

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color

(Senator Hager)

INCREASED ASSESSMENT OPTIONS FOR STREET MAINTENANCE DISTRICTS.

Senate Taxation Committee on HB
Respectfully report as follows: That Standing Committee Report of April 15 No. 625

Amendment No. 2

Strike: All inserted material in its entirety

Insert: "Section 5. Section 7-12-4407, MCA is amended to read:

"7-12-4407. Protest against ordinance for improvements.

~~If 40% or more of the abutting property owners protest in writing to said city or town council against the passage of said proposed ordinance, then no further action shall be taken upon the proposed district for 2 years.~~ no further action shall be taken upon the proposed district for 1 year if a written protest against passage of the proposed ordinance is filed by:

(1) Owners of property within the proposed maintenance district having a taxable valuation, when aggregated, representing not less than 50% of the total taxable valuation of property within the district;

(2) Not less than 50% of the owners of property within the district; or

(3) Owners of property within the proposed maintenance district having projected assessments, when aggregated, representing not less than 50% of the total projected assessments for property within the district."

AND AS AMENDED
BE CONCURRED IN

~~XXXXXX~~

~~XXXXXXXXXX~~

Senator Thomas E. Towe,

Chairman.